

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

SPECIAL CIVIL APPLICATION No 3015 of 1996

For Approval and Signature:

Hon'ble MR.JUSTICE K.R.VYAS

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1. Whether Reporters of Local Papers may be allowed to see the judgements?
2. To be referred to the Reporter or not?
3. Whether Their Lordships wish to see the fair copy of the judgement?
4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder?
5. Whether it is to be circulated to the Civil Judge?

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SIDDHARTH ENGINEERING WORKS

Versus

GIDC

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Appearance:

MR PV NANAVATI for Petitioner

MR MB GANDHI for Respondent No. 1

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CORAM : MR.JUSTICE K.R.VYAS

Date of decision: 09/09/97

ORAL JUDGEMENT

Rule. Mr MB Gandhi learned advocate waives service on behalf of the respondent. At the request of the learned advocates, this matter is finally heard today.

The petitioner by way of this petition has challenged the demand made by the respondents to pay an amount of Rs 1,27,060/. The brake up of this amount is

that Rs 46,197/- towards the outstanding dues and Rs 23,600/ is towards outstanding dues of temporary electric connection which was granted by the respondents to the predecessor of the petitioner and Rs 57,263/ being the amount of interest thereon. It is not in dispute that Rs 46,197/ has been recovered by the respondents by way of arrears as can be seen from the affidavit in reply filed by the respondents. According to the petitioner, they have paid all the dues including the instalments for the shed at Odhav C-1/511. Considering the facts and circumstances of the case and having heard the learned advocates at length, I am of the view that the demand for an amount of Rs 57,263/ being the amount of interest on Rs 23,600/ raised by the respondents is not justified for the reason that even though the petitioner has come in possession of the shed in question on 19.8.1982 by clearing all the dues of the respondent-corporation immediately thereafter. However, no such demand was made by the respondent-corporation till January 5, 1996 when the respondent demanded an amount of Rs 1,27,060/ which also includes the amount of Rs 80,863/ towards the outstanding dues of temporary electric connection and interest. Since the petitioner has agreed to clear all dues of the predecessor in title, I am of the view that they are liable to make payment of Rs 23,600/ being the amount of outstanding dues towards the electric connection. However, respondent corporation is not entitled to claim interest thereon being an amount of Rs 57,263/ as the demand for the same is made at a very late stage, namely after about 14 years. Mr Nanavati learned advocate appearing for the petitioner has fairly stated that the petitioner shall pay Rs 23600/ to the respondent corporation. If the amount of Rs 23,600/ is paid, the respondent corporation shall complete the process the applicatin for transfer of undertaking and will take appropriate decision expeditiously as possible and preferably within three months from today.

In the result, the petition is partly allowed. It is held that the petitioner is liable to make payment of Rs 23,600/ towards the temporary electric connection only and that the respondent is not entitled to claim the amount of Rs 57,263/ being the amount of interest thereon. Rule is made absolute to the aforesaid extent with no order as to costs.

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